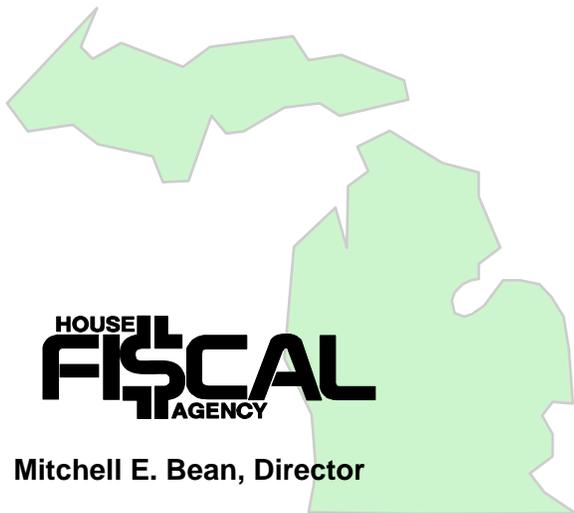


# **LINE ITEM AND BOILERPLATE SUMMARY**

## **TRANSPORTATION**

**Fiscal Year 2006-07  
Public Act 345 of 2006  
House Bill 5796, Article 18**

**As Enacted**



**Mitchell E. Bean, Director**

**September 2006**

**Prepared and Compiled by:**

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September 2006

TO: Members of the Michigan House of Representatives

The House Fiscal Agency has prepared a **Line Item Summary** for each of the FY 2006-07 appropriation acts. Each **Summary** contains line-by-line detail, including the amount and purpose of each appropriation line and information regarding related boilerplate sections, for a specific appropriation act. Following the line item detail, a brief explanation of each boilerplate section in the appropriation bill is provided.

In this report, line item vetoes are presented in the following manner: appropriation amounts shown in ~~strikeout~~ are those that appear in the enrolled bill; amounts shown directly below ~~strikeout~~ amounts reflect the effect of the veto.

Line Item Summaries are available on the HFA website ([www.house.mi.gov/hfa](http://www.house.mi.gov/hfa)), or from Jeanne Dee, Administrative Assistant (373-8080 or [jdee@house.mi.gov](mailto:jdee@house.mi.gov)).

A handwritten signature in black ink that reads "Mitchell E. Bean".

Mitchell E. Bean, Director



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## **GLOSSARY: State Budget Terms**

### **STATE BUDGET TERMS**

**Gross Appropriations (Gross):** The total of all applicable appropriations (statutory spending authorizations) in a budget bill.

**Adjusted Gross Appropriations (Adjusted Gross):** The net amount of all gross appropriations after subtracting interdepartmental grants (IDGs) and intradepartmental transfers (IDTs).

**Lapses:** Appropriation amounts that are unspent/unobligated at the end of a fiscal year. Appropriations are automatically terminated at the end of a fiscal year unless otherwise provided by law.

**Work Project:** A statutorily-authorized account which allows a spending authorization to be carried over from one fiscal year to a succeeding fiscal year or years— i.e., allows funds to be spent over a period of years.

### **APPROPRIATION BILL TERMS**

**Line Item:** Specific funding amount in an appropriation bill which establishes spending authorization for a particular program or function (may be for a single purpose or for multiple purposes).

**Boilerplate:** Specific language sections in an appropriation bill which direct, limit or restrict line item expenditures, express legislative intent, and/or require reports.

### **REVENUE SOURCES**

**General Fund/General Purpose (GF/GP):** Unrestricted General Fund revenue available to fund any activity accounted for in the General Fund; unused GF/GP revenue lapses to the General Fund at the end of a fiscal year.

**State Restricted (Restricted):** State revenue restricted by state law or outside restriction that is available only for specified purposes; at year-end, unused restricted revenue remains in the restricted fund.

**Federal Revenue:** Federal grant or matchable revenue dedicated to specific programs.

**Local Revenue:** Revenue from local units of government.

**Private Revenue:** Revenue from non-government entities: rents, royalties or interest payments, payments from hospitals or individuals, and gifts and bequests.

**Interdepartmental Grant (IDG):** Revenue or funds received by one state department from another state department (usually for a service provided by the receiving department).

**Intradepartmental Transfer (IDT):** Transfers or funds being provided from one appropriation unit to another in the same department.

### **MAJOR STATE FUNDS**

**Budget Stabilization Fund (BSF):** The countercyclical economic and budget stabilization fund; also known as the "rainy day" fund.

**School Aid Fund (SAF):** A restricted fund; the primary funding source for K-12 schools and Intermediate School Districts (ISDs).

**General Fund:** The General Fund (funded from taxes and other general revenue) is used to account for the ordinary operations of a governmental unit that are not accounted for in another fund.



## REVENUE SOURCES

*The following provides a brief description of the major revenue sources identified in the transportation appropriation bill.*

### FEDERAL REVENUE

The Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) is the name of the federal surface transportation act signed into law by President George W. Bush on August 10, 2005. The act reauthorizes federal highway, highway safety, and transit programs for the five-year period 2005 to 2009. SAFETEA-LU is the successor to the prior federal surface transportation authorization act, the Transportation Equity Act for the 21st Century (TEA-21), which provided federal support for transportation programs from 1998 through 2005.

SAFETEA-LU makes federal funds available to state departments of transportation through three U.S. Department of Transportation (DOT) agencies: the Federal Highway Administration (FHWA), the Federal Transit Administration (FTA), and the Federal Railroad Administration (FRA). Federal funds in the FY 2006-07 transportation budget are based on estimates of available federal funding developed by the Michigan Department of Transportation.

### DOT-FHWA

Funds administered by the Federal Highway Administration for highway construction, planning, and research. These funds are distributed to states for eligible projects under various program categories including Interstate Maintenance, National Highway System, Surface Transportation Program, Bridge Rehabilitation and Replacement, and Congestion Mitigation and Air Quality Improvement.

### DOT-FTA

Funds administered by the Federal Transit Administration for public transportation programs.

### DOT-FRA

Funds administered by the Federal Railroad Administration for rail freight, rail passenger, and high speed rail programs.

### STATE RESTRICTED REVENUE

Article IX, Section 9 of the 1963 Michigan Constitution dedicates motor fuel excise taxes and motor vehicle registration taxes for transportation purposes. Public Act 51 of 1951 (Act 51) establishes the state's major surface transportation programs and allocates restricted transportation revenue to those programs through various state restricted funds.

### MICHIGAN TRANSPORTATION FUND (MTF)

Main collection/distribution fund for state restricted transportation revenue. Approximately 90% of all state-generated transportation revenue—primarily from the \$0.19 per gallon gasoline excise tax, diesel fuel taxes, and motor vehicle registration taxes—is first credited to the MTF. Act 51 establishes the MTF and provides for formula distribution of the MTF among various programs/funds:

- To the State Trunkline Fund (STF) for construction and maintenance of the state trunkline system and for administration of the Michigan Department of Transportation.
- To 83 county road commissions for county road systems.
- To 533 incorporated cities and villages for city/village streets.
- To the Comprehensive Transportation Fund (CTF) for public transportation programs.

Act 51 also allocates MTF revenue to various special programs (e.g., rail grade crossing account, Local Bridge Program, Transportation Economic Development Fund) and directs the Legislature to appropriate funds for the necessary expenses incurred in the administration and enforcement of the Motor Fuel Tax Act, Motor Carrier Act, and vehicle registration sections of the Michigan Vehicle Code. The MTF does not carry a balance into the next fiscal year; all MTF revenue is distributed each year through the Act 51 formula.

### STATE TRUNKLINE FUND (STF)

Established and governed by Act 51, the STF provides funding for the maintenance and construction of the state trunkline highway system, as well as administration of the Michigan Department of Transportation. Revenue is derived primarily from transfers from the MTF in accordance with the provisions of Act 51.

**COMPREHENSIVE TRANSPORTATION FUND (CTF)**

Established and governed by Act 51, the fund is dedicated to public transportation purposes. The fund has two main sources of revenue: a 10% share of net MTF revenue (after various statutory deductions), and a share of motor vehicle-related sales tax revenue as provided in the General Sales Tax Act.

**STATE AERONAUTICS FUND (SAF)**

Receives aviation fuel taxes, aircraft registration fees, revenue from state-owned aircraft operations, and an earmark of Airport Parking Tax revenue. SAF funds are dedicated to aviation development, safety regulation, and air service promotion under the State Aeronautics Code.

**BLUE WATER BRIDGE FUND (BWBF)**

Subsidiary fund of the STF created in FY 1993-94 to account for debt service, capital projects, maintenance, and operating costs of the Blue Water Bridge. Fund revenue is derived from bridge tolls and from the lease of plaza right of way by a duty-free store.

In FY 1994-95, through provisions of the Intermodal Surface Transportation Act of 1991 (ISTEA), the STF received federal funds for loan to the BWBF for construction of the second span of the Blue Water Bridge. Repayment of the \$45.0 million loan began in FY 1997-98. The loan, which must be repaid by 2025, is an internal loan between transportation funds and is not reflected in the Debt service appropriation unit.

**ECONOMIC DEVELOPMENT FUND (EDF)**

Fund established by 1987 PA 231 to assist in funding highway, road, and street projects which support economic growth. Fund revenue is derived from Act 51 earmarks of MTF revenue, and from a statutory earmark of drivers' license fees. Also referenced as Transportation Economic Development Fund (TEDF).

**LOCAL BRIDGE FUND (LBF)**

Fund established by 2004 PA 384, an amendment to Act 51, to provide financial assistance to local highway authorities for the preservation, improvement, or reconstruction of existing bridges, or the construction of bridges to replace existing bridges, in whole or part. Revenue is provided from an earmark of 1/2 cent of the gasoline excise tax (equal to approximately \$25.0 million), and from a \$5.0 million earmark of MTF revenue.

## MICHIGAN DEPARTMENT OF TRANSPORTATION

*The mission of the Michigan Department of Transportation (MDOT) is: "Providing the highest quality integrated transportation services for economic benefit and improved quality of life."*

*Article V, Section 28 of the 1963 Michigan Constitution establishes the State Transportation Commission to "establish policy for the State Transportation Department transportation programs and facilities, and such other public works of the state, as provided by law." Article V, Section 28 also provides for the appointment of the Director of the State Transportation Department as the principal executive officer of the Department with responsibility for executing the policy of the State Transportation Commission. The powers and duties of the Department, the State Transportation Commission, and the Department Director are further defined in statute, 1964 PA 286.*

*Public Act 51 of 1951 (Act 51) establishes and defines the major surface transportation programs and revenue sources identified in this appropriation summary. The State Aeronautics Code (1945 PA 327) governs aeronautics programs funded through these appropriations.*

Full-time equated unclassified positions	6.0	Full-time equated (FTE) positions not in the state classified service.
Full-time equated classified positions	3,030.3	Full-time equated (FTE) positions in the state classified service.
Total full-time equated positions	3,036.3	Total number of all full-time equated positions (includes classified and unclassified). <i>Note: based on 2,088 hours for 1.0 FTE position</i>
<b>GROSS APPROPRIATION</b>	<del>\$3,442,167,300</del> <b>\$3,441,865,300</b>	<b>Total of all applicable line item appropriations.</b>
Total interdepartmental grants/ intradepartmental transfers	0	Total of all funds received from other departments and transfer of funds.
<b>ADJUSTED GROSS APPROPRIATIONS</b>	<del>\$3,442,167,300</del> <b>\$3,441,865,300</b>	<b>Total net amount of all line item gross appropriations less (or minus) interdepartmental grants (IDGs) and intradepartmental transfers (IDTs).</b>
Total federal revenue	1,169,336,300	Total federal grant or matchable revenue.
Total local revenue	47,500,000	Total revenue from local units of government.
Total private revenue	0	Total private grant revenue.
Total state restricted revenue	<del>2,225,331,000</del> 2,225,029,000	State revenue dedicated to a specific fund (other than the General Fund) or revenue earmarked for a specific purpose.
<b>GENERAL FUND/ GENERAL PURPOSE</b>	<b>\$0</b>	<b>The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.</b>

## SECTION 102: DEBT SERVICE

*Public Act 51 of 1951 gives the State Transportation Commission authority to borrow money and issue bonds or notes for transportation purposes, the debt service on which shall not exceed 50% of the dedicated taxes received for transportation purposes in the prior fiscal year.*

State trunkline	\$152,300,400	Principal and interest payments on various debt issues the proceeds of which were used for state trunkline preservation or capacity improvement projects, or for refunding prior debt issues. Build Michigan I, Build Michigan III, and Preserve First programs were financed, in part, through bonding. The line includes \$55.0 million related to federal revenue anticipation (GARVEE) notes issued in 2001 and 2002 for Build Michigan II projects.
		Funding Source(s): Federal 55,000,000 Restricted 97,300,400
		<i>Related Boilerplate Section(s): None</i>
<hr/>		
Economic development	15,025,800	Principal and interest payments on various TEDF bond programs, including bonds issued to fund category "A" and "B" road projects (1989), Build Michigan III economic development projects (2001), and refunding bonds (1998 and 2002).
		Funding Source(s): Restricted 15,025,800
		<i>Related Boilerplate Section(s): None</i>
<hr/>		
Local bridge fund	3,000,000	Act 51 distribution from the MTF for debt service on 1992 bonds issued to finance local agency bridge projects.
		Funding Source(s): Restricted 3,000,000
		<i>Related Boilerplate Section(s): None</i>
<hr/>		
Blue Water Bridge fund	2,878,600	Principal and interest payments on 1996 bonds used to finance Blue Water Bridge projects.
		Funding Source(s): Restricted 2,878,600
		<i>Related Boilerplate Section(s): None</i>
<hr/>		
Airport safety and protection plan	5,000,000	Debt service paid by SAF for CTF bonds issued for airport improvement and security projects.
		Funding Source(s): Restricted 5,000,000
		<i>Related Boilerplate Section(s): 805</i>
<hr/>		
Comprehensive transportation	29,415,200	Principal and interest payments on CTF bonds issued for public transportation purposes. Includes \$607,400 (SAF) related to Midfield Terminal project at Detroit Metro Airport.
		Funding Source(s): Restricted 29,415,200
		<i>Related Boilerplate Section(s): None</i>
<hr/>		
<b>GROSS APPROPRIATION</b>	<b>\$207,620,000</b>	<b>Total of all applicable line item appropriations.</b>
<hr/>		
DOT-FHWA highway research, planning, and construction	55,000,000	Federal funds pledged by the Department for debt service on federal revenue anticipation (GARVEE) notes.
<hr/>		
Comprehensive transportation fund (CTF)	28,807,800	State restricted fund dedicated for public transportation purposes.
<hr/>		

Local bridge fund	3,000,000	Established by 2004 PA 384, an amendment to Act 51.
State trunkline fund (STF)	97,300,400	State restricted fund dedicated for state trunkline programs.
Blue water bridge fund	2,878,600	Subsidiary fund of STF used to account for debt service, capital projects, maintenance, and operating costs of Blue Water Bridge.
Economic development fund (EDF)	15,025,800	Fund established by 1987 PA 231 to help fund highway, road, and street projects that support economic growth.
State aeronautics fund (SAF)	5,607,400	State restricted fund dedicated for aviation development, regulation, and promotion.
<b>GENERAL FUND/ GENERAL PURPOSE</b>	<b>\$0</b>	<b>The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.</b>

## SECTION 103: COLLECTION, ENFORCEMENT, AND OTHER AGENCY SUPPORT SERVICES

*This appropriation unit provides reimbursement to other state departments for services provided to state transportation funds and programs under terms of contracts with MDOT. Services provided by other state departments include collection of state-restricted transportation revenue. Article IX, Section 9 of the 1963 Michigan Constitution dedicates motor fuel excise taxes and motor vehicle registration taxes for transportation purposes, after payment of necessary collection expenses. MTF grants to other state departments are governed by provisions of Act 51.*

*In addition to the line item appropriations shown below, Section 708 of Article 7 of 2006 PA 345 (General Government appropriations) authorizes the Department of Management and Budget to assess transportation funds a proportionate share of MAIN accounting system costs.*

MTF grant to department of environmental quality	\$1,020,800	Supports Department of Environmental Quality, Land and Water Management Division environmental clearance activities for state and local road and bridge construction projects. Funding Source(s): Restricted 1,020,800
<i>Related Boilerplate Section(s): 306, 504</i>		
MTF grant to department of state for collection of revenue and fees	20,000,000	Costs attributable to collection of transportation revenue from vehicle title and registration taxes processed by the Department of State. Grant limited to \$20.0 million by Act 51, as amended by 2003 PA 151. Funding Source(s): Restricted 20,000,000
<i>Related Boilerplate Section(s): 306, 504</i>		
MTF grant to legislative auditor general	204,300	Audit costs attributable to transportation programs and funds. Funding Source(s): Restricted 204,300
<i>Related Boilerplate Section(s): 306, 504</i>		
MTF grant to department of treasury <b>PARTIAL VETO</b>	<del>8,801,500</del> 8,701,500	Costs attributable to collection of motor fuel taxes. Line reflects the Governor's veto of boilerplate section 504(4) which had required a cost allocation study estimated to cost \$100,000. Funding Source(s): Restricted 8,701,500
<i>Related Boilerplate Section(s): 306, 504</i>		
STF grant to department of attorney general	2,708,300	Legal services and litigation costs of the Attorney General in support of transportation programs. Funding Source(s): Restricted 2,708,300
<i>Related Boilerplate Section(s): 306, 504</i>		
STF grant to department of civil service	2,700,000	Civil service administrative expenses for MDOT, based on constitutionally-mandated charge of 1% of related payroll. Funding Source(s): Restricted 2,700,000
<i>Related Boilerplate Section(s): 204, 306, 504</i>		
STF grant to department of management and budget	1,366,500	Accounting, budget, payroll, purchasing, and mail services from Department of Management and Budget (DMB) attributable to the STF. Funding Source(s): Restricted 1,366,500
<i>Related Boilerplate Section(s): 306, 504</i>		

STF grant to department of state police	7,967,000	Supports Michigan State Police, Motor Carrier Enforcement, and transportation portion of Criminal Justice Information Center. Funding Source(s): Restricted 7,967,000	
<i>Related Boilerplate Section(s): 306, 504</i>			
STF grant to department of history, arts, and libraries	73,500	Costs of record retention at state records center. Funding Source(s): Restricted 73,500	
<i>Related Boilerplate Section(s): 306, 504</i>			
STF grant to department of treasury	212,900	Investment activity costs attributable to STF funds managed by the Department of Treasury. Funding Source(s): Restricted 212,900	
<i>Related Boilerplate Section(s): 306, 504</i>			
STF grant to legislative auditor general	474,600	Audit costs attributable to transportation programs and funds. Funding Source(s): Restricted 474,600	
<i>Related Boilerplate Section(s): 306, 504</i>			
SAF grant to department of attorney general	151,400	Legal services and litigation costs of the Attorney General in support of transportation programs. Funding Source(s): Restricted 151,400	
<i>Related Boilerplate Section(s): 306, 504</i>			
SAF grant to department of civil service	55,000	Civil service administrative expenses for MDOT, based on constitutionally-mandated charge of 1% of related payroll. Funding Source(s): Restricted 55,000	
<i>Related Boilerplate Section(s): 204, 306, 504</i>			
SAF grant to department of management and budget	38,600	Accounting, budget, payroll, purchasing, and mail services from DMB attributable to the SAF. Funding Source(s): Restricted 38,600	
<i>Related Boilerplate Section(s): 306, 504</i>			
SAF grant to department of history, arts, and libraries	2,100	Costs of record retention at state records center. Funding Source(s): Restricted 2,100	
<i>Related Boilerplate Section(s): 306, 504</i>			
SAF grant to department of treasury	74,300	Investment activity costs attributable to SAF funds managed by the Department of Treasury. Funding Source(s): Restricted 74,300	
<i>Related Boilerplate Section(s): 306, 504</i>			
SAF grant to legislative auditor general	19,600	Audit costs attributable to transportation programs and funds. Funding Source(s): Restricted 19,600	
<i>Related Boilerplate Section(s): 306, 504</i>			
CTF grant to department of attorney general	153,400	Legal services and litigation costs of the Attorney General in support of transportation programs. Funding Source(s): Restricted 153,400	
<i>Related Boilerplate Section(s): 306, 504</i>			

CTF grant to department of civil service	95,000	Civil service administrative expenses for MDOT, based on constitutionally-mandated charge of 1% of related payroll. Funding Source(s): Restricted 95,000
<i>Related Boilerplate Section(s): 204, 306, 504</i>		
CTF grant to department of management and budget	62,400	Accounting, budget, payroll, purchasing, and mail services from DMB attributable to the CTF. Funding Source(s): Restricted 62,400
<i>Related Boilerplate Section(s): 306, 504</i>		
CTF grant to department of history, arts, and libraries	3,400	Costs of record retention at state records center. Funding Source(s): Restricted 3,400
<i>Related Boilerplate Section(s): 306, 504</i>		
CTF grant to department of treasury	2,400	Investment activity costs attributable to CTF funds managed by the Department of Treasury. Funding Source(s): Restricted 2,400
<i>Related Boilerplate Section(s): 306, 504</i>		
CTF grant to legislative auditor general	25,200	Audit costs attributable to transportation programs and funds. Funding Source(s): Restricted 25,200
<i>Related Boilerplate Section(s): 306, 504</i>		
<b>GROSS APPROPRIATION</b>	<b>\$46,212,200</b>	<b>Total of all applicable line item appropriations.</b>
	<b>\$46,112,200</b>	
Comprehensive transportation fund (CTF)	341,800	State restricted fund dedicated for public transportation purposes.
Michigan transportation fund (MTF)	<del>30,026,600</del> 29,926,600	Primary collection/distribution fund for state transportation revenue from motor fuel taxes and vehicle registration taxes.
State aeronautics fund (SAF)	341,000	State restricted fund dedicated for aviation development, regulation, and promotion.
State trunkline fund (STF)	15,502,800	State restricted fund dedicated for state trunkline programs.
<b>GENERAL FUND/ GENERAL PURPOSE</b>	<b>\$0</b>	<b>The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.</b>

## SECTION 104: EXECUTIVE DIRECTION

*This appropriation unit supports administrative direction, decision making, leadership, and policy implementation necessary to accomplish the Department's mission. The Asset Management Council and the Office of Commission Audits are also within this appropriation unit.*

Full-time equated unclassified positions	6.0	Full-time equated (FTE) positions not in the state classified service.
Full-time equated classified positions	31.3	Full-time equated (FTE) positions in the state classified service.
Unclassified salaries	\$532,200	Salaries of six unclassified FTE positions: Department Director, Business Development Director, Office of Communications Director, Office of Governmental Affairs Director, State Transportation Commission Advisor, and Office of Passenger Transportation Director (currently unfilled). Funding Source(s): Restricted 532,200
<i>Related Boilerplate Section(s): None</i>		
Asset management council	1,626,400	Provides data collection and related support for the Asset Management Council established by 2002 PA 499. Staff support is provided in Transportation Planning appropriation unit. Funding Source(s): Restricted 1,626,400
<i>Related Boilerplate Section(s): None</i>		
Commission audit – 31.3 FTE positions	3,382,900	The Office of Commission Audits was established by Section 17a of Act 51 to conduct financial and performance audits. The Commission Auditor is appointed by and serves at the pleasure of the State Transportation Commission. Funding Source(s): Restricted 3,382,900
<i>Related Boilerplate Section(s): 314</i>		
<b>GROSS APPROPRIATION</b>	<b>\$5,541,500</b>	<b>Total of all applicable line item appropriations.</b>
Michigan transportation fund (MTF)	1,626,400	Primary collection/distribution fund for state transportation revenue from motor fuel taxes and vehicle registration taxes.
State trunkline fund (STF)	3,915,100	State restricted fund dedicated for state trunkline programs.
<b>GENERAL FUND/ GENERAL PURPOSE</b>	<b>\$0</b>	<b>The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.</b>

## SECTION 105: BUSINESS SUPPORT

*This appropriation unit provides executive and departmentwide services through the Office of Communications, Office of Human Resources, Office of Governmental Affairs, Office of Economic Development and Enhancement, and executive support staff.*

Full-time equated classified positions	56.5	Full time equated (FTE) positions in the state classified service.	
Business support services - 25.5 FTE positions	\$3,177,100	Funds Executive Office support staff, Office of Communications, Office of Governmental Affairs, Chief Administrative Officer, and Chief Operations Officer. Funding Source(s): Restricted	3,177,100
		<i>Related Boilerplate Section(s): 374, 375, 381</i>	
Property management	7,331,500	DMB property management charges for occupancy of state-owned buildings (Transportation Building, part of North Ottawa Building, Secondary Complex buildings for Photo Lab, Testing and Research, and Central Warehouse) and rent for privately-owned land or buildings at locations across the state. Funding Source(s): Restricted	7,331,500
		<i>Related Boilerplate Section(s): None</i>	
Human resources – 22.0 FTE positions	2,487,800	Salary/fringe benefits/travel/other operation expense of the Office of Human Resources. Funding Source(s): Restricted	2,487,800
		<i>Related Boilerplate Section(s): None</i>	
Human resources optimization user charges	199,500	User costs of Human Resources Service Center. Funding Source(s): Restricted	199,500
		<i>Related Boilerplate Section(s): None</i>	
Economic development and enhancement programs – 9.0 FTE positions	1,131,000	Salary/fringe benefits/travel/other operation expense of the Office of Transportation Economic Development and Enhancement. Appropriations for TEDF and Enhancement grant programs are in other appropriation units. Funding Source(s): Restricted	1,131,000
		<i>Related Boilerplate Section(s): None</i>	
Worker's compensation	2,136,000	Estimated cost of worker's compensation insurance. Funding Source(s): Restricted	2,136,000
		<i>Related Boilerplate Section(s): None</i>	
<b>GROSS APPROPRIATION</b>	<b>\$16,462,900</b>	<b>Total of all applicable line item appropriations.</b>	
Economic development fund (EDF)	485,300	Fund established by 1987 PA 231 to help fund highway, road, and street projects that support economic growth.	
State aeronautics fund (SAF)	886,500	State restricted fund dedicated to aviation development, regulation, and promotion.	
Comprehensive transportation fund (CTF)	1,354,700	State restricted fund dedicated for public transportation purposes.	

Michigan transportation fund (MTF)	175,800	Primary collection/distribution fund for state transportation revenue from motor fuel taxes and vehicle registration taxes.
State trunkline fund (STF)	13,560,600	State restricted fund dedicated for state trunkline programs.
<b>GENERAL FUND/ GENERAL PURPOSE</b>	<b>\$0</b>	<b>The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.</b>

## SECTION 106: INFORMATION TECHNOLOGY

*This appropriation unit gives MDOT authority to reimburse the Department of Information Technology (DIT) for information technology (IT) services and projects.*

Information technology services and projects	\$27,876,500	Spending authority for MDOT to reimburse DIT for information technology services, projects, and IT inventory.
		Funding Source(s):    Federal    1,446,900
		Restricted    26,429,600

*Related Boilerplate Section(s): 258, 259*

<b>GROSS APPROPRIATION</b>	<b>\$27,876,500</b>	<b>Total of all applicable line item appropriations.</b>
DOT-FHWA, highway research, planning, and construction	1,446,900	Federal funds available for some information technology applications.
Blue water bridge fund	47,000	Subsidiary fund of STF used for debt service, capital projects, maintenance, and operating costs of the Blue Water Bridge.
Comprehensive transportation fund (CTF)	234,300	State restricted fund dedicated for public transportation purposes.
Economic development fund	37,100	Fund established by 1987 PA 231 to assist in funding highway, road, and street projects that support economic growth.
Michigan transportation fund (MTF)	243,400	Primary collection/distribution fund for state transportation revenue from motor fuel taxes and vehicle registration taxes.
State aeronautics fund (SAF)	143,700	State restricted fund dedicated to aviation development, regulation, and promotion.
State trunkline fund (STF)	25,724,100	State restricted fund dedicated for state trunkline programs.
<b>GENERAL FUND/ GENERAL PURPOSE</b>	<b>\$0</b>	<b>The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.</b>

## SECTION 107: FINANCE, CONTRACTS, AND SUPPORT SERVICES

*This appropriation unit supports the Department's Bureau of Finance and Operations and provides long-range financial planning, budgetary control, contract administration, technical services, and management support services for the Department.*

Full-time equated classified positions	255.5	Full-time equated (FTE) positions in the state classified service.
Financial operations – 79.0 FTE positions	\$7,638,500	Budgetary and accounting control for all financial operations; prepares financial reports/statements; accounts for local federal aid projects administered by MDOT; Financial Outreach Services Unit calculates, monitors, and reports on MTF monies distributed to local units of government. Funding Source(s): Restricted 7,638,500  <i>Related Boilerplate Section(s): None</i>
Contract services – 34.1 FTE positions	3,172,400	Manages purchasing and contracting activities including pre-qualifications, bid letting, and processing pay estimates for construction contracts. Funding Source(s): Restricted 3,172,400  <i>Related Boilerplate Section(s): None</i>
Technical and support services – 75.4 FTE positions	8,645,300	Technical and logistical services; telecommunications; specialized photographic, mapping, graphic art design services; engineering and other document reproduction; facilities management; mail room; produces official State Transportation Map; Disadvantaged Business Enterprise program in the Office of Equal Opportunity monitors for compliance with state and federal laws governing contracting practices. Funding Source(s): Restricted 8,645,300  <i>Related Boilerplate Section(s): 334</i>
Performance excellence – 12.0 FTE positions	1,386,100	Oversees and directs employee training and development programs, and total quality and reengineering efforts. Funding Source(s): Restricted 1,386,100  <i>Related Boilerplate Section(s): None</i>
Welcome center operations – 55.0 FTE positions	4,709,100	Department of Labor and Economic Growth operates 13 Welcome Centers at locations across the state under contract with MDOT; no MDOT employees are assigned to program. Funding Source(s): Restricted 4,709,100  <i>Related Boilerplate Section(s): None</i>
<b>GROSS APPROPRIATION</b>	<b>\$25,551,400</b>	<b>Total of all applicable line item appropriations.</b>
Michigan transportation fund (MTF)	1,403,900	MTF supports a portion of statewide technical services costs, and administration of the Act 51-required MTF distribution to local units of government.
State trunkline fund (STF)	24,147,500	State restricted fund dedicated for state trunkline programs.
<b>GENERAL FUND/ GENERAL PURPOSE</b>	<b>\$0</b>	<b>The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.</b>

## SECTION 108: TRANSPORTATION PLANNING

*The Bureau of Transportation Planning implements MDOT's ongoing planning process for transportation programs and projects. Investment recommendations are based on social, economic, environmental, user-demand, infrastructure condition, and financial resource factors. A number of planning activities are mandated by federal law governing federal-aid transportation programs, as well as the National Environmental Policy Act of 1969 (NEPA).*

Full-time equated classified positions	174.0	Full-time equated (FTE) positions in the state classified service.
Statewide planning services – 122.0 FTE positions	\$12,913,200	<p>Coordinates overall policy implementation; provides executive direction including contract administration, budget, information systems, and office management. Prepares State Transportation Improvement Program in accordance with federal requirements; provides revenue analysis; operates/maintains Transportation Management System and statewide Geographic Information Systems; administers state trunkline capital outlay program; coordinates developing performance-based asset management strategies (pavement and bridge) and urban highway planning. Prepares State Long Range Plan; assists in developing policies regarding passenger and freight transportation, the environment, international trade and border crossings, and Intelligent Transportation Systems.</p> <p style="text-align: right;">Funding Source(s):      Federal      6,496,100  <span style="padding-left: 150px;">Restricted      6,417,100</span></p> <p style="text-align: center;"><i>Related Boilerplate Section(s): 379</i></p>
Data collection services – 52.0 FTE positions	5,480,700	<p>Coordinates planning and engineering staff and equipment for field operations, systems monitoring, condition assessment, and travel information collection; provides travel demand analysis; supports comprehensive passenger and freight transportation planning; provides support for Asset Management Council.</p> <p style="text-align: right;">Funding Source(s):      Federal      3,636,500  <span style="padding-left: 150px;">Restricted      1,844,200</span></p> <p style="text-align: center;"><i>Related Boilerplate Section(s): None</i></p>
Specialized planning services and local studies	16,798,200	<p>Provides social, economic, and environmental analysis; oversees environmental compliance and mitigation; coordinates, monitors, and assists in developing statewide capacity improvement and new road projects; completes project-level traffic analysis for all trunkline road and bridge projects.</p> <p style="text-align: right;">Funding Source(s):      Federal      11,867,400  <span style="padding-left: 150px;">Restricted      4,930,800</span></p> <p style="text-align: center;"><i>Related Boilerplate Section(s): None</i></p>
Grants to regional planning councils	488,800	<p>Grants to regional planning agencies for data collection and analysis, public involvement, and coordination between agencies.</p> <p style="text-align: right;">Funding Source(s):      Restricted      488,800</p> <p style="text-align: center;"><i>Related Boilerplate Section(s): None</i></p>
<b>GROSS APPROPRIATION</b>	<b>\$35,680,900</b>	<b>Total of all applicable line item appropriations.</b>
DOT-FHWA highway research, planning, and construction	22,000,000	Federal funds, designated for statewide planning activities, are derived from 2% set-aside of certain federal-aid programs.

State aeronautics fund (SAF)	261,900	Restricted funds that support aviation components of statewide transportation planning.
Comprehensive transportation fund (CTF)	1,060,300	Restricted funds that support public transportation components of statewide transportation planning.
Michigan transportation fund (MTF)	6,304,500	Primary collection/distribution fund for revenue from motor fuel and vehicle registration taxes; MTF funds in this appropriation unit support statewide planning activities.
State trunkline fund (STF)	6,054,200	State restricted fund dedicated for state trunkline programs.
<b>GENERAL FUND/ GENERAL PURPOSE</b>	<b>\$0</b>	<b>The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.</b>

## SECTION 109: DESIGN AND ENGINEERING SERVICES

*This appropriation unit includes management and oversight functions for the road construction and traffic engineering and safety activities that support the state trunkline highway system. This unit includes engineering, administrative, and supervisory staff and related costs. The appropriation for road and bridge construction programs is contained in a separate appropriation unit.*

Full-time equated classified positions	1,516.4	Full-time equated (FTE) positions in the state classified service.
Engineering services - 802.2 FTE positions	\$55,537,900	<p>Salary and other operation costs of construction, testing, and traffic and safety functions for Lansing central office and seven MDOT regions. Includes engineering supervision/management oversight of state highway and bridge reconstruction/improvement projects; materials sampling/testing; design services including geotechnical analysis (soil testing services), environmental investigation and remediation, development of construction specifications, consultant management, and bridge plan review. Maintains the Department's pavement and bridge management systems. Provides life-cycle cost analysis, traffic studies, traffic signal upgrading/modernization, traffic signing and pavement marking, safety programs, geometric design development and review, and traffic engineering data collection and support services.</p> <p style="text-align: right;">Funding Source(s):      Federal      11,151,300  <span style="padding-left: 100px;">Restricted      44,386,600</span></p> <p style="text-align: center;"><i>Related Boilerplate Section(s): None</i></p>
Program services – 703.7 FTE positions	36,996,600	<p>Salaries and other operation costs of highway development for Lansing central office and seven MDOT regions. Functions include executive/administrative oversight of Bureau of Highways and design functions including preparation of land surveys, route location studies, and design plans for all trunkline roads, bridges, and appurtenances. Other functions include:</p> <p><u>Local Agency Programs Unit:</u> Fiscal, programmatic, and administrative agent for federally-funded local road projects.</p> <p><u>Real Estate Division:</u> Manage right-of-way appraisal, acquisition, relocation, clearance, and property management functions.</p> <p><u>Utilities and Permits Section:</u> Coordinate construction project utility relocation; control use of right-of-way through permit process.</p> <p><u>Attorney General - Transportation Division:</u> Legal counsel to Department; includes construction contract issues, right-of-way condemnation, and environmental law; defends Department in tort litigation and works to obtain reimbursement from motorists for damages to highway features.</p> <p style="text-align: right;">Funding Source(s):      Restricted      36,996,600</p> <p style="text-align: center;"><i>Related Boilerplate Section(s): None</i></p>
Intelligent transportation systems operations – 10.5 FTE positions	9,977,600	<p>Salaries and other operational costs related to MDOT Intelligent Transportation Systems operations.</p> <p style="text-align: right;">Funding Source(s):      Federal      4,074,900  <span style="padding-left: 100px;">Restricted      5,902,700</span></p> <p style="text-align: center;"><i>Related Boilerplate Section(s): None</i></p>
<b>GROSS APPROPRIATION</b>	<b>\$102,512,100</b>	<b>Total of all applicable line item appropriations.</b>

DOT-FHWA highway research, planning, and construction	15,226,200	Federal funds that support Engineering Operations for research, materials and technology quality control and assurance testing.
Michigan transportation fund (MTF)	5,331,200	Primary collection/distribution fund for transportation revenue from motor fuel and vehicle registration taxes. MTF revenue in this appropriation unit supports engineering oversight, technical assistance, and coordination related to state and federal funds provided to counties, cities, and villages.
State trunkline fund (STF)	81,954,700	State restricted fund dedicated for state trunkline programs.
<b>GENERAL FUND/ GENERAL PURPOSE</b>	<b>\$0</b>	<b>The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.</b>

## SECTION 110: HIGHWAY MAINTENANCE

*This appropriation unit supports road and bridge maintenance activities on state trunklines in all 83 Michigan counties.*

Full-time equated classified positions	825.6	Full-time equated (FTE) positions in the state classified service.
State trunkline operations – 825.6 FTE positions	\$129,341,200	Labor, material, equipment, and other operational costs of state trunkline maintenance activities performed by MDOT maintenance crews. Activities include routine/reactive maintenance such as pavement maintenance, bridge maintenance, roadside mowing, guardrail repair, and winter snow removal. Funding Source(s): Restricted 129,341,200  <i>Related Boilerplate Section(s): 207, 319, 610</i>
Contract operations	145,823,700	State trunkline maintenance activities performed primarily by certain county road commissions and municipalities under contract with the Department. The Department also contracts with private contractors for certain maintenance activities. Funding Source(s): Restricted 145,823,700  <i>Related Boilerplate Section(s): 207, 319, 610</i>
<b>GROSS APPROPRIATION</b>	<b>\$275,164,900</b>	<b>Total of all applicable line item appropriations.</b>
State trunkline fund (STF)	275,164,900	State restricted fund dedicated for state trunkline highway purposes.
<b>GENERAL FUND/ GENERAL PURPOSE</b>	<b>\$0</b>	<b>The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.</b>

## SECTION 111: ROAD AND BRIDGE PROGRAMS

*This appropriation unit represents state and federal resources allocated for road and bridge construction. Distributions of MTF revenue to local road agencies, made in accordance with Act 51, are also appropriated from this unit.*

State trunkline federal aid and road and bridge construction <b>PARTIAL VETO</b>	\$988,064,200 \$987,862,200	State trunkline capital road and bridge construction program; court judgments and highway settlements of highway negligence lawsuits. Veto of Sections 613, 615, and 616 reduced the line by \$202,000 (STF) from amount shown in enrolled bill. Funding Source(s):     Federal   754,536,100 Local     30,000,000 Restricted 203,326,100  <i>Related Boilerplate Section(s): 307, 308, 312, 324, 334, 353, 401, 601, 612</i>
Local federal aid and road and bridge construction	259,689,000	Act 51 allocation (average of 25% of federal aid, excluding certain program categories) to local road agencies (county road commissions, cities, and villages) for eligible local road and bridge construction projects. Funding Source(s):     Federal   259,689,000  <i>Related Boilerplate Section(s): 308, 357, 401</i>
Grants to local programs	33,000,000	Act 51 allocation to Local Program Fund; fund is distributed 64.2% to county road commissions and 35.8% to cities and villages. Funding Source(s):     Restricted 33,000,000  <i>Related Boilerplate Section(s): None</i>
Rail grade crossing	3,000,000	Act 51 allocation for rail grade crossing program. Funding Source(s):     Restricted     3,000,000  <i>Related Boilerplate Section(s): 719</i>
Local bridge program	30,455,300	Act 51 allocation; used to repair or replace local bridges. Funding Source(s):     Restricted   30,455,300  <i>Related Boilerplate Section(s): 503</i>
County road commissions	649,447,500	Act 51 allocation of 39.1% of net MTF revenue, based on estimated revenue; final distribution based on actual MTF revenue and Act 51 external formula; distribution to specific county road commissions is governed by Act 51 internal formula (includes urban, primary, and local road miles, vehicle registration tax receipts, and population factors). Funding Source(s):     Restricted   649,447,500  <i>Related Boilerplate Section(s): 303, 502</i>
Cities and villages	362,096,000	Act 51 allocation of 21.8% of net MTF revenue, based on estimated revenue; final distribution based on actual MTF revenue and Act 51 external formula; distribution to specific cities and villages is governed by Act 51 internal formula (includes population, state trunkline mileage, major street mileage, and local street mileage factors). Funding Source(s):     Restricted   362,096,000  <i>Related Boilerplate Section(s): 303, 502</i>

<b>GROSS APPROPRIATION</b>	<del>\$2,325,752,000</del> <b>\$2,325,550,000</b>	<b>Total of all applicable line item appropriations.</b>
DOT-FHWA highway research, planning, and construction	1,014,225,100	Federal road construction grants from major SAFETEA-LU program categories (National Highway System, Surface Transportation Program, Minimum Guarantee, Interstate Construction and Maintenance, etc.).
Local funds	30,000,000	City or village cost participation for opening, widening, or improving state trunkline highways as required by Act 51.
Blue water bridge fund	3,000,000	Subsidiary fund of STF used to account for debt service, capital projects, maintenance and operating costs of Blue Water Bridge.
Michigan transportation fund (MTF)	1,047,543,500	Primary collection/distribution fund for state transportation revenue from motor fuel and vehicle registration taxes; allocated by Act 51 to Local Program Fund, rail grade crossing account, Local Bridge Program, county road commissions, and cities and villages.
Local bridge fund	30,455,300	Fund established by 2004 PA 384 which amended Act 51. Dedicated for local bridge program; revenue derived from earmarks (1/2 cent of gasoline excise tax plus an additional \$5.0 million of MTF revenue).
State trunkline fund (STF)	<del>200,528,400</del> 200,326,100	State restricted fund dedicated for state trunkline highway purposes.
<b>GENERAL FUND/ GENERAL PURPOSE</b>	<b>\$0</b>	<b>The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.</b>

## SECTION 112: BLUE WATER BRIDGE

Full-time equated classified positions	41.0	Full-time equated (FTE) positions in the state classified service.
Blue Water Bridge operations – 41.0 FTE positions	\$11,416,600	<p>Operating and maintenance costs for the twin-span Blue Water Bridge. In FY 1994-95, the STF received federal funds, through the Intermodal Surface Transportation Act of 1991 provisions, for loan to BWBF to construct a second span of Blue Water Bridge; repayment of the \$45.0 million loan began in FY 1997-98; up to \$6.2 million for loan repayment is included in this line.</p> <p style="text-align: right;">Funding Source(s): Restricted 11,416,600</p> <p style="text-align: center;"><i>Related Boilerplate Section(s): None</i></p>
<b>GROSS APPROPRIATION</b>	<b>\$11,416,600</b>	<b>Total of all applicable line item appropriations.</b>
Blue water bridge fund (BWBF)	11,416,600	Subsidiary fund of STF used to account for debt service, capital projects, maintenance, and operating costs of Blue Water Bridge.
<b>GENERAL FUND/ GENERAL PURPOSE</b>	<b>\$0</b>	<b>The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.</b>

## SECTION 113: TRANSPORTATION ECONOMIC DEVELOPMENT FUND

*This fund was created by 1987 PA 231 (MCL 247.901) to assist funding highway, road, and street improvements in direct support of economic growth. Resources support five categories of improvements (A, C, D, E, F) related to either a specific type of economic activity or a specific type of transportation condition.*

Forest roads	\$5,040,000	Category E (forest roads) receives \$5.0 million statutory earmark to facilitate safe/efficient transport of forest raw materials; grant recipients limited to county road commissions in counties that include a national lake shore, a national park, or in which 34% or more of the land area is commercial forest; Sec. 608 earmarked \$40,000 to build truck inspection stations in those same counties. Funding Source(s): Restricted 5,040,000
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*Related Boilerplate Section(s): 503, 608*

Rural county urban system	2,500,000	Category F receives \$2.5 million statutory earmark for urban areas (cities and villages with populations greater than 5,000) in rural counties (with populations of 400,000 or less); projects must be for improvements to federal-aid-eligible roads and streets; funds available through competitive grant to eligible county, city, or village road agency. Funding Source(s): Restricted 2,500,000
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*Related Boilerplate Section(s): 503*

Target industries/economic redevelopment	18,863,400	Category A (Target Industries) receives a special \$3.5 million MTF earmark in Act 51, plus 50% of net TEDF balance after deducting administrative costs, debt service, and category E and F amounts. Category A dedicated to road projects related to economic development projects which create/retain permanent jobs and are related to seven industries: agriculture and food processing, tourism, forestry, high technology research, mining, manufacturing, and office centers of not less than 50,000 square feet. Grants may be awarded to any Act 51 eligible road agency (MDOT, county road commissions, cities, or villages); program administered jointly by Department Office of Economic Development and Enhancement and Michigan Economic Development Corporation (MEDC). Funding Source(s): Restricted 18,863,400
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*Related Boilerplate Section(s): 503*

Urban county congestion	7,681,700	Category C (urban county congestion relief) receives 25% of net TEDF balance after deducting administrative costs, debt service, and category E and F amounts. Funds available to counties with populations greater than 400,000 (Wayne, Oakland, Macomb, Genesee, and Kent) are based on population and allocated by formula. Funds may be used for road or transit projects related to urban congestion relief or advanced traffic management systems; applications are reviewed by urban task forces. Category C also receives Act 51 earmark of 15% of federal Equity Bonus funds (highway construction funds formerly called Minimum Guarantee) allocated to the state annually from federal-aid highway program; these funds are appropriated in boilerplate Section 503(3). Funding Source(s): Restricted 7,681,700
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*Related Boilerplate Section(s): 503*

Rural county primary	7,681,700	<p>Category D (rural county primary roads) receives 25% of net TEDF balance after deducting administrative costs, debt service, and category E and F amounts. Funds available to county, city, or village road agencies in counties with populations of 400,000 or less to enhance local primary road and major street systems that link communities to the state trunkline system. Funds allocated to regional task forces based on proportion of rural primary road mileage included in each region; rural task forces identify specific projects for funds in each region and submit project list to MDOT. Category D also receives Act 51 earmark of 16.5% of federal Equity Bonus funds (formerly called Minimum Guarantee) highway construction funds allocated to the state annually from federal-aid highway program; these funds are appropriated in boilerplate Section 503(3).</p>
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Funding Source(s):   Restricted       7,681,700

*Related Boilerplate Section(s): 503*

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<b>GROSS APPROPRIATION</b>	<b>\$41,766,800</b>	<b>Total of all applicable line item appropriations.</b>
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Economic development fund	41,766,800	<p>Established by 1987 PA 231 to help fund highway, road, and street projects that support economic growth; revenue primarily from Act 51 earmarks of MTF revenue and a statutory earmark of drivers' license fees.</p>
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<b>GENERAL FUND/ GENERAL PURPOSE</b>	<b>\$0</b>	<b>The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.</b>
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## SECTION 114: AERONAUTICS SERVICES

*The State Aeronautics Code (Public Act 327 of 1945) gives the Michigan Aeronautics Commission general authority over aeronautics in the state. Aeronautics Services provides overall administration and direction for state aviation programs. Program activities include promoting development of commercial passenger and freight services; supporting construction and improvement of airport facilities; and providing aeronautical services, educational efforts, and regulatory activities to ensure safe and efficient aviation within the state. Aeronautics' Airport Improvement Program is funded in Capital Outlay appropriation acts.*

*Aeronautics programs had been under the authority of the Department's Bureau of Multi-modal Transportation Services. The Department is in the process of reorganizing the functions of the Bureau of Multi-modal Transportation Services into two new bureaus.*

Full-time equated classified positions	56.0	Full-time equated (FTE) positions in the state classified service.
Airport improvement services – 30.0 FTE positions	\$2,872,800	Administers and provides project management for programming, planning, design, and construction of federal- and state-funded airport capital improvement projects in the state; Airport Improvement Program projects are funded in Capital Outlay appropriation acts. Funding Source(s): Restricted 2,872,800 <i>Related Boilerplate Section(s): 361, 380, 801</i>
Aviation services – 26.0 FTE positions	4,120,700	Administrative services, fiscal coordination, and legislative liaison for aeronautics programs; administers all-weather airport access program; supports Michigan Aeronautics Commission; currently funds one-half of salary of director of the Bureau of Multi-Modal Transportation Services. Air Transport Section in this line provides aircraft, pilots, and maintenance services to support airport inspection, safety and education programs, and airport development programs; also provides air transport services to state agencies and personnel. Funding Source(s): Restricted 4,120,700 <i>Related Boilerplate Section(s): 361, 380, 383, 801</i>
Air service program	700,000	Provides grant assistance to the state's 18 commercial air service airports with a focus on smaller air service airports not eligible for federal aid. Program has three grant categories: Air Carrier Recruitment and Retention, Capital Improvement and Equipment, and Airport Awareness. Funding Source(s): Restricted 700,000 <i>Related Boilerplate Section(s): 801</i>
<b>GROSS APPROPRIATION</b>	<b>\$7,693,500</b>	<b>Total of all applicable line item appropriations.</b>
State aeronautics fund (SAF)	7,693,500	Restricted fund dedicated for aviation development, regulation, and promotion; revenue from aviation fuel taxes and licensing/registration fees.
<b>GENERAL FUND/ GENERAL PURPOSE</b>	<b>\$0</b>	<b>The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.</b>

## SECTION 115: PUBLIC TRANSPORTATION AND FREIGHT SERVICES

*This appropriation unit, previously named the Bureau of Urban and Public Transportation (UPTRAN), supports Michigan's comprehensive public transportation programs and rail safety programs. In 2002, UPTRAN was combined with the Bureau of Aeronautics into a single Bureau of Multi-Modal Transportation Services. The Department is in the process of reorganizing the functions of the Bureau of Multi-modal Transportation Services into two new bureaus.*

Full-time equated classified positions	74.0	Full-time equated (FTE) positions in the state classified service.
Freight and safety services – 36.0 FTE positions	\$4,121,100	Coordinates rail freight services and facilities development; operates rail safety and inspection program; administers state/federal funds allocated to local railroad grade crossing improvement projects; administers rail passenger program. Also supports budget/fiscal coordination, contract administration, and IT applications for the Bureau's public transportation programs. One-half the salary of the director of the Bureau of Multi-Modal Transportation Services is currently funded from this line. Funding Source(s):   Restricted   4,121,100  <i>Related Boilerplate Section(s): 361, 380</i>
Passenger transportation services – 38.0 FTE positions	4,111,100	Coordinates financial and technical assistance to local public transit programs, marine passenger programs, and intercity passenger services; implements intercity bus and limousine safety regulations. Funding Source(s):   Federal       738,100 Restricted   3,373,000  <i>Related Boilerplate Section(s): 361, 380</i>
<b>GROSS APPROPRIATION</b>	<b>\$8,232,200</b>	<b>Total of all applicable line item appropriations.</b>
DOT, federal transit act	738,100	Federal transit act funding.
Comprehensive transportation fund (CTF)	5,499,000	State restricted fund dedicated for public transportation purposes.
Michigan transportation fund (MTF)	1,995,100	Primary collection/distribution fund for transportation revenue from motor fuel and vehicle registration taxes. MTF revenue in this appropriation unit supports statewide Railroad Safety, and Local Grade Crossing programs.
<b>GENERAL FUND/ GENERAL PURPOSE</b>	<b>\$0</b>	<b>The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.</b>

## SECTION 116: BUS TRANSIT DIVISION: STATUTORY OPERATING

*This appropriation unit provides state and federal financial operating assistance to local bus transit systems within the state.*

Local bus operating	\$166,624,000	Grant program reimburses local transit systems for a portion of eligible operating expenses. Act 51 provides for reimbursement of up to 50% of eligible operating expense to transit systems in urbanized areas (population greater than 100,000) and up to 60% of eligible operating expense to transit systems in areas with populations of less than 100,000.
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Funding Source(s):   Restricted   166,624,000

*Related Boilerplate Section(s): 707, 714, 732, 734*

Nonurban operating/capital	18,000,000	Provides spending authority for federal funds available to local transit systems in nonurbanized areas of state (under 50,000 in population). Funds can be used for operating or capital expenses, although Michigan has used them primarily for operating assistance.
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Funding Source(s):   Federal   16,000,000  
  Local    2,000,000

*Related Boilerplate Section(s): None*

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<b>GROSS APPROPRIATION</b>	<b>\$184,624,000</b>	<b>Total of all applicable line item appropriations.</b>
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DOT-federal transit act	16,000,000	Federal transit grants for operating and capital assistance to nonurban transit systems authorized by Section 5311 of Title 49 USC as amended by SAFETEA-LU.
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Comprehensive Transportation Fund (CTF)	166,624,000	State restricted fund for public transportation purposes.
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Local funds	2,000,000	Local funding match for a portion of federal aid expenditures.
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<b>GENERAL FUND/ GENERAL PURPOSE</b>	<b>\$0</b>	<b>The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.</b>
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## SECTION 117: INTERCITY PASSENGER AND FREIGHT

*This appropriation unit provides state and federal funds for intercity bus service and rail passenger and freight development.*

Freight property management	\$1,000,000	Leases, taxes, insurance, maintenance and repair, and rail-banking activities for state-owned rail facilities (currently approximately 650 miles of track).
		Funding Source(s):   Restricted       1,000,000

*Related Boilerplate Section(s): None*

Detroit/Wayne county port authority	500,000	Operating assistance to Detroit/Wayne County Port Authority.
		Funding Source(s):   Restricted       500,000

*Related Boilerplate Section(s): 706*

Intercity bus equipment	2,800,000	Provides funds for purchase of bus equipment for use by intercity carriers; equipment use restricted to scheduled regular route services that originate at or are destined to points in Michigan and which would otherwise be under-served by public transportation; revenue from sale of buses at retirement is returned to program.
		Funding Source(s):   Restricted       2,800,000

*Related Boilerplate Section(s): 701, 708, 730*

Rail passenger service	8,200,000	Restricted funds provide operating assistance for Port Huron to Chicago and Grand Rapids to Chicago rail passenger service; federal funds are appropriated for capital improvements to the above two routes and for the Detroit to Chicago service corridor.
		Funding Source(s):   Federal       1,000,000 Restricted     7,200,000

*Related Boilerplate Section(s): 711*

Freight preservation and development	5,192,900	Supports capital improvements to preserve/improve state-owned railroads and for rail-freight economic development projects.
		Funding Source(s):   Federal       100,000 Restricted     5,092,900

*Related Boilerplate Section(s): 702*

Rail infrastructure loan program	1,100,000	Appropriation to increase revolving loan fund used to help finance improvements to Michigan's privately-owned rail freight infrastructure.
		Funding Source(s):   Restricted       1,100,000

*Related Boilerplate Section(s): 705*

Intercity bus service development	4,850,000	Operating assistance for intercity bus operations providing essential service on certain routes threatened with abandonment. Also supports marketing efforts, other service development projects, and intercity rail service development.
		Funding Source(s):   Federal       3,500,000 Local         50,000 Restricted     1,300,000

*Related Boilerplate Section(s): 709, 729*

Marine passenger service	400,000	Capital assistance for marine passenger systems. Eligible systems currently include the Eastern Upper Peninsula Transportation Authority (St. Mary's River ferry service), and the Beaver Island Transportation Authority (ferry service between Beaver Island and Charlevoix). Funding Source(s): Restricted 400,000 <i>Related Boilerplate Section(s): None</i>
Terminal development	1,751,300	Funds for the purchase, construction, or rehabilitation of intermodal passenger facilities, and related equipment, serving communities throughout Michigan. Funding Source(s): Restricted 1,751,300 <i>Related Boilerplate Section(s): 305, 731</i>
<b>GROSS APPROPRIATION</b>	<b>\$25,794,200</b>	<b>Total of all applicable line item appropriations.</b>
DOT-federal transit act	3,500,000	Funds provided from a portion of FTA funds (Section 5311 of Title 49 USC) used in the Intercity Bus Service Development line item. Historically, MDOT has allocated these funds for intercity bus service in the Upper Peninsula, and intermodal facilities shared by local transit authorities and intercity bus carriers.
DOT-FRA, local rail service assistance	100,000	Used as a fund source in Freight Preservation and Development line. These Federal Railroad Administration funds are awarded by competitive grant application for freight preservation and development.
DOT-FRA, rail passenger/HSGT	1,000,000	Federal Railroad Administration grants for rail grade, corridor, and signal improvements to support high speed passenger service on selected rail passenger routes.
Rail preservation fund	2,000,000	Revenue primarily from the disposition/sale of state-owned rail property. Used as a fund source in Freight Preservation and Development line. <i>Related Boilerplate Section(s): 702</i>
Intercity bus equipment fund	1,000,000	Revenue primarily from sale of state-owned buses at retirement. Used as a fund source in the Intercity Bus Equipment line. <i>Related Boilerplate Section(s): 701</i>
Comprehensive transportation fund (CTF)	18,144,200	State restricted fund dedicated for public transportation purposes. Act 51 appropriates not less than 10% of appropriated CTF balance, after payment of debt service and administration, for intercity passenger and freight development.
Local funds	50,000	Local funding match for a portion of federal aid expenditures.
<b>GENERAL FUND/ GENERAL PURPOSE</b>	<b>\$0</b>	<b>The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.</b>

## SECTION 118: PUBLIC TRANSPORTATION DEVELOPMENT

*This appropriation unit provides funds to enhance the effectiveness and availability of public transportation by supporting vehicle acquisitions, efficient local service delivery, and development of innovative public transportation programs and technologies.*

Specialized services	\$11,300,100	Act 51 requires a minimum of \$3,600,100 (CTF) be appropriated for this line to support transit service to the elderly and persons with disabilities. Federal revenue included in this line represents New Freedom program, a new program of operating and capital assistance for transportation services for persons with disabilities with focus on access to employment.	
		Funding Source(s):	Federal      4,600,000 Restricted    6,700,100

*Related Boilerplate Section(s): None*

Municipal credit program	2,000,000	Act 51 requires a minimum of \$2.0 million (CTF) be appropriated for this line; distributed to local communities in Wayne, Oakland, and Macomb counties for public transportation services.	
		Funding Source(s):	Restricted    2,000,000

*Related Boilerplate Section(s): None*

Bus capital	64,726,500	Provides funds for capital equipment needs of local bus systems and specialized services systems. Federal funds from Federal Transit Act (49 USC) programs. Act 51 requires that the CTF provide 66 2/3 % of non-federal match for federal capital grants.	
		Funding Source(s):	Federal      30,000,000 Local        7,500,000 Restricted   27,226,500

*Related Boilerplate Section(s): 721*

Van pooling	195,000	Funds continuation of "MichVan" vanpool services to qualified commuting groups in the state; used for service development and administrative costs of MichVan.	
		Funding Source(s):	Restricted    195,000

*Related Boilerplate Section(s): None*

Service initiatives	1,200,000	Provides spending authority for transit-related research, training, demonstration, and technical projects.	
		Funding Source(s):	Federal      500,000 Local        350,000 Restricted   350,000

*Related Boilerplate Section(s): None*

Transportation to work	14,844,000	Supports transportation services which help remove transportation as a barrier to employment for public assistance recipients. State funds primarily used to match federal Job Access/Reverse Commute grants.	
		Funding Source(s):	Federal      5,000,000 Local        5,000,000 Restricted   4,844,000

*Related Boilerplate Section(s): 722*

<b>GROSS APPROPRIATION</b>	<b>\$94,265,600</b>	<b>Total of all applicable line item appropriations.</b>
DOT-federal transit act	40,100,000	Federal transit grants authorized by Title 49 USC as amended by SAFETEA-LU.
Comprehensive transportation fund (CTF)	38,715,600	State restricted funds dedicated for public transportation purposes.
Local funds	15,450,000	Local funding match for a portion of federal aid expenditures.
<b>GENERAL FUND/ GENERAL PURPOSE</b>	<b>\$0</b>	<b>The state's primary operating fund; the portion of the state's General Fund that does not include restricted revenue.</b>

## BOILERPLATE SECTION INFORMATION

**Sec. 201. Total State Spending and Payments to Local Units of Government**

Identifies total state spending in Part 1 and state payments to local units of government.

**Sec. 202. Management and Budget Act**

References the Management and Budget Act.

**Sec. 203. Abbreviations**

Defines abbreviations used in Act.

**Sec. 204. Civil Service 1% Billing**

Provides for Department of Civil Service charges to Department.

**Sec. 205. Hiring Freeze**

Establishes a hiring freeze on state classified civil service.

**Sec. 207. Privatization**

Provides for reports on privatization activities and defines privatize and privatization.

**Sec. 208. Internet Reports**

Provides for use of Internet to fulfill reporting requirements.

**Sec. 209. Foreign Goods and Services**

Prohibits use of foreign goods and services if comparatively priced and comparable quality American goods and services are available. Directs Department to give priority to Michigan goods and services.

**Sec. 210. Deprived and Depressed Communities**

Requires director to take reasonable steps to ensure that businesses in deprived and depressed communities compete for contracts to provide services or supplies or both.

**Sec. 211. Receive and Retain Reports**

Provides guidelines regarding record retention.

**Sec. 258. Department of Information Technology Work Projects**

Provides carryforward funds to support technology projects.

**Sec. 259. Department of Information Technology User Fees**

Provides for user fees to be paid to Department of Information Technology.

**Sec. 260. Out-of-State Travel**

Establishes limitation on out-of-state travel and creates travel reporting requirement.

**Sec. 261. Employee Discipline**

Prohibits departments and agencies from taking disciplinary action against an employee for communicating with legislator or legislative staff.

**Sec. 301. Permit Fees/Bridge Tolls**

Provides for permit and FOIA processing fees; provides process for raising bridge tolls.

**Sec. 303. Legislative Report**

Requires report (on request) of funds received by city, village, and county road commission by legislative district.

**Sec. 304. Confidentiality of Bid Documents**

Provides for confidentiality of highway project bid documents.

**Sec. 305. Lease of Space in Public Transportation Property**

Requires lease of space in public transportation facilities at market rates; requires that revenue be used for property maintenance.

**Sec. 306. Biennial Audit of Transportation Funds**

Provides for biennial audit of use of transportation funds by other state departments, due 9 months after state CAFR is issued.

**Sec. 307. Rolling Five-Year Plan**

Requires Department to provide a rolling five-year highway construction plan by February 1 of each year.

**Sec. 308. Contract Compliance**

Requires that Department and local road agencies pursue compliance with contract specifications for construction and maintenance; provides for sanctions for unsatisfactory contractors; requires a report.

**Sec. 309. Administrative Costs**

Requires Department to reduce administrative costs.

**Sec. 310. State Transportation Commission Minutes/Agenda**

Requires Department to provide copies of minutes and agenda to Legislature.

**Sec. 312. State Trunkline Fund Carryforward**

Allows carryforward authority for STF; appropriates for state trunkline federal aid and road and bridge program.

**Sec. 313. State Infrastructure Bank**

Provides guidelines for State Infrastructure Bank program.

**Sec. 314. Report on Internal Auditor**

Provides for report on activities of internal auditor; report due February 1, 2007.

**Sec. 319. Rest Area Maintenance**

Requires signs/telephone numbers for reporting unclean and unsafe conditions at rest areas.

**Sec. 324. Construction Zone Traffic Law Enforcement**

Earmarks \$500,000 from STF for construction zone traffic law enforcement and the "Give 'em a brake campaign."

**Sec. 334. Women- and Minority-Owned Businesses Program**

Requires Department to continue MBE/WBE program; March 31, 2007, reporting requirement.

**Sec. 353. Prompt Payment**

Directs Department to review contractor payment process to ensure that contractors and subs are paid promptly.

**Sec. 357. Local Federal Aid Project Review**

Directs Department to complete project reviews within 120 days; requires system for monitoring review process.

**Sec. 361. Bureau of Multi-Modal Transportation Services**

Requires Department to report on any change in bureau services or functions as approved by the State Transportation Commission.

**Sec. 370. Transit Agency Charter Service**

Directs Department to maintain a compliant process for violations of 49 CFR, Part 604 regarding use of public transit vehicles for charter service.

**Sec. 374. MDOT Employee Newsletters**

Requires Department to distribute employee newsletters electronically.

**Sec. 375. MDOT Open Houses and Groundbreaking Ceremonies**

Prohibits Department from reimbursing contractors or consultants for groundbreaking ceremonies, receptions, open houses, or press conferences related to transportation projects funded from appropriations made in Act.

**Sec. 376. Deferred Project Report**

Requires report by October 15, 2006, on status of 17 projects deferred in 2003, then restored to five-year plan.

**Sec. 379. Prohibition on Planning for Transit Agencies**

Prohibits Department from using CTF funds for operational planning for transit agencies.

**Sec. 380. Prohibition on Cross-Funding for Bureau of Multi-Modal Transportation Services**

Restricts funding Multi-Modal employees to funds appropriated in sections 114 and 115 (Aeronautics and Public Transportation and Freight Services). Effectively prohibits using federal funds in Transportation Planning unit to fund Public Transportation and Freight Services employees; makes exception for federally-funded capital projects, and construction or safety inspections of rail projects.

**Sec. 381. Prohibition on TV Program**

Prohibits Department from using funds to produce TV program (e.g., MDOT Today) other than for safety or construction advisories.

**Sec. 383. Report on Use of State Airfleet**

Requires quarterly report on use of state airplanes; prohibits transport of employees of institutions of higher education, and local government employees; waives restrictions for law enforcement and homeland security.

**Sec. 384. Detroit River Crossing**

Prohibits expending funds, directly or indirectly, appropriated in Part 1 for design or right of way acquisition associated with a new crossing of the Detroit River between Detroit, Michigan, and Windsor, Ontario.

**Sec. 391. Public Transportation Deputy Directors**

Indicates legislative intent that Department establish separate directors for public transportation and aeronautics.

**Sec. 401. Federal Aid Distribution Report**

Requires Department to report to the Legislature on proposed distribution of federal funds; provides a 30-day window for legislative approval/disapproval. Governor indicates provision requiring legislative approval violates separation of powers doctrine of the Michigan Constitution and is thus unenforceable.

**Sec. 402. Sale of Local Federal Aid**

Authorizes local road agencies to sell federal aid to Department or to other local road agencies.

**Sec. 501. Motor Carrier Act**

Describes distribution of revenue received under the act (1933 PA 254).

**Sec. 502. Treasury Audits of Local Road Agencies**

Provides for audits of local road agencies by Department of Treasury.

**Sec. 503. TEDF/Local Bridge Fund Carryforward**

Provides carryforward authority for TEDF and Local Bridge funds; prevents diversion for other purposes; authorizes use of federal, local, or private funds for program.

**Sec. 504. MTF Distribution–Use of Transportation Funds by Other State Agencies – PARTIAL VETO**

Requires using MTF in accordance with Act 51; sets guidelines for use of transportation funds (grants) by other state agencies; requires report. Governor vetoed subsection 4 (required State Treasurer to identify actual cost of work performed by Michigan Department of Treasury for state-restricted transportation funds).

**Sec. 601. Road Construction Warranties**

Encourages use of road construction warranties; provides for report by September 30, 2007.

**Sec. 602. Manufactured Pipe**

Provides standards for use and testing of manufactured pipe.

**Sec. 603. Traffic Congestion**

Directs Department to consider traffic congestion be used as criteria in project selection; provides specific criteria for evaluating traffic congestion.

**Sec. 607. Unsafe Pedestrian Crossings**

Directs that funds be made available for remediation of unsafe pedestrian crossings.

**Sec. 608. Truck Inspection Stations**

Earmarks \$40,000 from the TEDF (Forest Roads) for two truck inspection stations.

**Sec. 610. Dead Deer**

Describes legislative intent regarding clean-up of dead deer and other large animal remains.

**Sec. 611. Pavement Marking**

Directs Department to use high quality pavement marking materials on state trunkline projects; provides for pilot project and reporting requirement; report due January 31, 2007.

**Sec. 612. Incentive/Disincentive Contracts**

Requires Department to establish guidelines for use of incentive/disincentive contracts; establishes a reporting requirement; report due January 1, 2007.

**Sec. 613. MIS Signage – VETOED**

Directs Department to spend not less than \$50,000 for signs to assist traffic coming from all directions to the Michigan International Speedway.

**Sec. 615. Interchange M-48 and I75 in Chippewa County – VETOED**

Directs Department to construct full interchange.

**Sec. 616. Traffic Light US-31 Bay Harbor (Emmet County) – VETOED**

Requires Department to reimburse the city of Petoskey for traffic signal.

**Sec. 639. Signage for Drivers to Comply with Michigan Vehicle Code**

Directs Department to plan and schedule placing of signs to direct drivers to drive on right side of roadway per Michigan Vehicle Code; report due November 1, 2006.

**Sec. 640. Signage for Drivers to Comply with Michigan Vehicle Code**

Directs Department to plan and schedule placing of signs to direct drivers to yield to emergency vehicles per Michigan Vehicle Code; report due November 1, 2006.

**Sec. 654. Long-term Viability of Mackinac Bridge**

Indicates legislative intent that the Mackinac Bridge Authority protect long-term viability of the Mackinac Bridge.

**Sec. 655. Eaton Rapids Sidewalk Program**

Indicates legislative intent that Department spend not less than \$32,000 for sidewalk improvement project.

**Sec. 656. M-49 Upgrade “Green Highway”**

Indicates legislative intent that the Department upgrade M-49 in Hillsdale County to a “designated” truck route.

**Sec. 657. US-23 Corridor Study**

Indicates legislative intent that the Department proceed with a US-23 congestion mitigation corridor study in Washtenaw and Livingston counties.

**Sec. 701. Intercity Bus Equipment Fund**

Provides for separate accounting and carryforward authority for this fund.

**Sec. 702. Rail Preservation Fund**

Provides for separate accounting and carryforward authority for this fund; reference to State Transportation Preservation Act of 1976 (1976 PA 295).

**Sec. 703. Rail Abandonment Notice**

Requires Department to notify Legislature when railroad companies file for abandonment of lines.

**Sec. 705. Rail Infrastructure Loan Program**

References program guidelines in Public Act 295 of 1976.

**Sec. 706. Detroit/Wayne County Port Authority**

Requires report due by February 15, 2007.

**Sec. 707. Local Bus Operating**

Provides guidelines for distribution of local bus operating appropriation (language from Act 51); includes restrictions on grants to the Detroit Transportation Corporation (People Mover). Governor indicates that this subsection is in conflict with Section 10c of PA 51 of 1951 and is thus unenforceable.

**Sec. 708. Intercity Bus Equipment Program**

Requires annual lease of not less than \$1,000.

**Sec. 709. Intercity Bus Essential Corridor**

Identifies essential bus corridors; prohibits operating subsidy to any entity competing with another public or private carrier over the same route.

**Sec. 711. Seven-Day Rail Passenger Service (AMTRAK)**

Directs Department to negotiate with a rail carrier to provide seven-day Port Huron/Chicago and Grand Rapids/Chicago service; limits state subsidy to \$7.1 million as well as to the amount of revenue generated from rail operations; requires a monitoring system for complaints; January 1, 2007 reporting requirement.

**Sec. 714. Local Transit Demand-Response Services**

Requires that Department, in cooperation with local transit agencies, work to ensure that demand-response services are provided throughout Michigan; requires report due March 1, 2007.

**Sec. 721. Guidelines for CTF Matching Federal Transit Funds**

Reduces CTF matching funds for projects not put under contract within specified term.

**Sec. 722. Transportation to Work Match for Federal Funds**

Requires CTF funds in Transportation to Work line be used to match federal job access/reverse commute grants.

**Sec. 729. Intercity Bus Marketing**

Earmarks \$100,000 from Intercity Bus Service Development line item for marketing.

**Sec. 730. Intercity Bus Equipment Sales**

Directs Department to sell state-owned intercity bus equipment within six months of lease termination and to credit proceeds to Intercity Bus Equipment Loan Fund.

**Sec. 731. Intercity Bus Space Rental**

Directs Department to charge transit agencies and intercity bus carriers the same rent when leasing similar space in state-owned intermodal facilities.

**Sec. 732. Handicap Bus Lifts Maintenance Reporting Requirement**

Provides reporting requirement for maintenance of wheelchair lifts by transit agencies; provides sanctions for failure to repair by milestone dates. The Governor has indicated that subsections (5) and (6) attempt to amend Act 51 by reference and are therefore unenforceable.

**Sec. 734. Transit Agency Service Performance Measures**

Directs Department to work to ensure that transit agencies meet certain service performance measures.

**Sec. 736. Intercity Bus/Rail Coordination**

Directs Department to work with intercity bus and rail passenger carriers to coordinate services.

**Sec. 737. Birmingham/Troy Passenger Facility**

Indicates legislative intent that Department proceed with construction of a Birmingham/Troy intermodal passenger facility.

**Sec. 738. Hillsdale to Quincy Track Project**

Indicates legislative intent that sufficient funds be allocated from appropriations to complete this project.

**Sec. 739. Transit Agency Bus Size**

Directs transit agencies not to assign buses longer than 40 feet to fixed route service if not warranted by ridership.

**Sec. 801. State Aeronautics Fund**

Requires that unexpended funds in the State Aeronautics Fund lapse back to the fund.

**Sec. 805. Aeronautics Debt Service**

Transfers State Aeronautics Fund ASAP debt service to CTF for debt service on CTF bonds issued for ASAP program.



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